

## **Fraud and Misconduct Reporting Policy**

The City of Springfield is committed to the principles of accountability, transparency, responsibility, and sound ethical operating practices. As part of this commitment, the City will take appropriate measures to prevent, detect, and investigate fraudulent activities and other acts of misconduct. Employees are encouraged to report possible violations of laws, regulations, and rules governing the conduct of City officers and employees.

The City expects its employees to perform their duties and responsibilities in accordance with City policies and procedures. The City provides various mechanisms to assist and encourage employees to come forward in good faith with reports or concerns about suspected compliance issues. Employees may report suspected non-compliance issues in good faith using available reporting channels without fear of reprisal or retaliation. Diligent efforts will be made to protect the complainant from retaliation for his/her activities in cooperation with, or initiation of, an inquiry or investigation, provided the complaint is not undertaken in bad faith.

This policy sets out specific guidelines and responsibilities regarding appropriate actions that must be followed:

1. An employee should follow all City policies and procedures in carrying out his/her duties and responsibilities for the City.
2. An employee, who has a question about the propriety of any practice under City policies and procedures, should seek guidance from his/her supervisor or the City official who has responsibility for overseeing compliance with the particular policy or procedure.
3. An employee, who becomes aware of potential or actual instances of fraud, misconduct or violation of City policies and procedures, should report such conduct, regardless of whether the employee is personally involved in the matter. Suspected acts of fraud and misconduct that an employee should report include, but are not limited to:
  - theft of City assets
  - significant misuse or unauthorized use of City assets
  - forgery or alteration of City checks
  - falsification of time sheets or other payroll records
  - seeking or accepting anything of value from vendors, consultants, or contractors doing business with the City in return for favors (value is considered anything other than de minimus or nominal)
  - any irregularity in the handling and reporting of money transactions
  - improper financial reporting
  - any claim for reimbursement of expenses that were not made for the exclusive benefit of the City
  - any computer-related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misuse or misappropriation of city-owned software or hardware.
  - shortcomings in regulatory compliance

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4. An employee may request that such a report be handled anonymously or as confidentially as possible under the circumstances, and the City will endeavor to handle all such reports with discretion and with due regard for the privacy of the reporting employee.
5. An employee may make anonymous reports, with the understanding that any investigation may identify the employee in order to obtain a full and complete account of relevant and necessary facts from the employee or to ask additional questions or seek clarification as any investigation proceeds.
6. An employee who comes forward in good faith with reports or concerns about compliance with City policies or procedures shall not be subject to reprisal or retaliation for making such a report. Any employee who believes that he/she is being retaliated against for making such a report should immediately bring it to the attention of the City Manager or the Director of Human Resources for immediate investigation.
7. Workplace issues shall be reported and dealt with in accordance with applicable City policies and administrative directives. Workplace issues should not be reported under this policy. Workplace issues include performance issues, performance management process concerns, unfair treatment, and harassment. Separate policies have been established for these workplace issues.
8. All reports of suspected fraud, misconduct or retaliation must be made in good faith. An employee who knowingly makes a false or reckless complaint will be subject to disciplinary and/or legal action. An employee who knowingly makes a false or misleading statement during the course of a complaint, investigation, hearing, proceeding, or complaint of retaliation will be subject to disciplinary and/or legal action. Where the results of an investigation determine that a complaint or allegation was a false or reckless complaint, the City Manager, in consultation with the Law Department and Human Resources, shall determine the action that is to be taken with respect to the complainant.
9. Employees who report conduct that they believe is illegal or unethical should have a reasonable factual basis for believing that improper activities have occurred, and should include as much specific information as possible to allow for proper assessment of the nature, extent, and urgency of the incident. Reports of illegal or unethical conduct that are overly vague may not be pursued.
10. Initial reports will be routed to the Internal Auditor, for follow-up and possible investigation. An investigation will be conducted if a review establishes that the allegation constitutes unethical or illegal activity, and if it is supported by specific information, or corroborating evidence. Other departments may become involved in investigations based on their areas of oversight responsibility or expertise if necessary. Efforts will be made to perform investigations discreetly. The details of the investigation will be kept confidential, to the extent feasible and consistent with City policies and applicable state laws.

Employees may contact the Internal Auditor to make a report via telephone, mail, Intranet, or email.